



General Assembly

February Session, 2008

Raised Bill No. 5901

LCO No. 3046

03046_____PH_

Referred to Committee on Public Health

Introduced by:
(PH)

AN ACT CONCERNING PREPAID FUNERAL CONTRACTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (b) of section 19a-323 of the 2008 supplement
2 to the general statutes is repealed and the following is substituted in
3 lieu thereof (*Effective October 1, 2008*):

4 (b) If death occurred in this state, the death certificate required by
5 law shall be filed with the registrar of vital statistics for the town in
6 which such person died, if known, or, if not known, for the town in
7 which the body was found. The Chief Medical Examiner, Deputy Chief
8 Medical Examiner, associate medical examiner, or an authorized
9 assistant medical examiner shall complete the cremation certificate,
10 stating that such medical examiner has made inquiry into the cause
11 and manner of death and is of the opinion that no further examination
12 or judicial inquiry is necessary. The cremation certificate shall be
13 submitted to the registrar or subregistrar of vital statistics of the town
14 in which such person died, if known, or, if not known, of the town in
15 which the body was found, or with the registrar or subregistrar of vital

16 statistics of the town in which the funeral director having charge of the
17 body is located. Upon receipt of the cremation certificate, the registrar
18 or subregistrar shall authorize the cremation certificate, keep it on
19 permanent record, and issue a cremation permit, except that if the
20 cremation certificate is submitted to the registrar or subregistrar of the
21 town where the funeral director is located, such certificate shall be
22 forwarded to the registrar or subregistrar of the town where the person
23 died to be kept on permanent record. The estate of the deceased
24 person, if any, shall pay the sum of forty dollars for the issuance of the
25 cremation certificate or an amount equivalent to the compensation
26 then being paid by the state to authorized assistant medical examiners,
27 if greater. No cremation certificate shall be required for a permit to
28 cremate the remains of bodies pursuant to section 19a-270a. When the
29 cremation certificate is submitted to a town other than that where the
30 person died, the registrar of vital statistics for such other town shall
31 ascertain from the original removal, transit and burial permit that the
32 certificates required by the state statutes have been received and
33 recorded, that the body has been prepared in accordance with the
34 Public Health Code and that the entry regarding the place of disposal
35 is correct. Whenever the registrar finds that the place of disposal is
36 incorrect, the registrar shall issue a corrected removal, transit and
37 burial permit and, after inscribing and recording the original permit in
38 the manner prescribed for sextons' reports under section 7-72, shall
39 then immediately give written notice to the registrar for the town
40 where the death occurred of the change in place of disposal stating the
41 name and place of the crematory and the date of cremation. Such
42 written notice shall be sufficient authorization to correct these items on
43 the original certificate of death. The fee for a cremation permit shall be
44 three dollars and for the written notice one dollar. The Department of
45 Public Health shall provide forms for cremation permits, which shall
46 not be the same as for regular burial permits and shall include space to
47 record information about the intended manner of disposition of the
48 cremated remains, and such blanks and books as may be required by
49 the registrars.

50 Sec. 2. Subsection (g) of section 20-222 of the 2008 supplement to the
51 general statutes is repealed and the following is substituted in lieu
52 thereof (*Effective October 1, 2008*):

53 (g) Any person, firm, partnership or corporation engaged in the
54 funeral service business shall maintain at the address of record of the
55 funeral service business identified on the certificate of inspection:

56 (1) All records relating to contracts for funeral services, prepaid
57 funeral contracts or escrow accounts for a period of not less than
58 [three] six years after the death of the individual for whom funeral
59 services were provided;

60 (2) Copies of all death certificates, burial permits, authorizations for
61 cremation, documentation of receipt of cremated remains and written
62 agreements used in making arrangements for final disposition of dead
63 human bodies, including, but not limited to, copies of the final bill and
64 other written evidence of agreement or obligation furnished to
65 consumers, for a period of not less than [three] six years after such
66 final disposition; and

67 (3) Copies of price lists, for a period of not less than [three] six years
68 from the last date such lists were distributed to consumers.

69 Sec. 3. Subsection (b) of section 42-200 of the general statutes is
70 repealed and the following is substituted in lieu thereof (*Effective*
71 *October 1, 2008*):

72 (b) A funeral service contract shall be in writing and shall contain
73 the following:

74 (1) The name, address, telephone number and Social Security
75 number of the beneficiary and the purchaser;

76 (2) The name, address, telephone number and license number of the
77 funeral director for the funeral service establishment providing the
78 goods or services;

79 (3) A list of the selected goods or services, if any;

80 (4) The amount of funds paid or to be paid by the purchaser for
81 such contract, the method of payment and a description of how such
82 funds will be invested and how such investments are limited to those
83 authorized pursuant to subsection (c) of section 42-202;

84 (5) A description of any price guarantees by the funeral service
85 establishment or, if there are no such guarantees, a specific statement
86 that the contract contains no guarantees on the price of the goods or
87 services contained in the contract;

88 (6) The name, [and] address and telephone number of the escrow
89 agent designated to hold the prepaid funeral services funds;

90 (7) A written representation, in clear and conspicuous type, that the
91 purchaser should receive a notice from the escrow agent
92 acknowledging receipt of the initial deposit not later than twenty-five
93 days after receipt of such deposit by a licensed funeral director, and a
94 written representation that the purchaser shall receive an annual
95 statement from the escrow agent that reflects all goods and services
96 purchased and amounts credited to such escrow account during the
97 previous year;

98 (8) A description of any fees to be paid from the escrow account to
99 the escrow agent or any third party provider;

100 (9) A description of the ability of the purchaser or the beneficiary to
101 cancel a revocable funeral service contract and the effect of cancelling
102 such contract;

103 (10) For irrevocable contracts, a description of the ability of the
104 beneficiary to transfer such contract to another funeral home; and

105 (11) The signature of the purchaser or authorized representative and
106 the licensed funeral director of the funeral service establishment.

107 Sec. 4. Section 42-207 of the general statutes is repealed and the
108 following is substituted in lieu thereof (*Effective October 1, 2008*):

An irrevocable funeral contract may be entered into in which the amount held in escrow may be disbursed only upon the death of the beneficiary, provided such a contract does not exceed [five thousand four hundred] eight thousand five hundred dollars and all interest accumulates to the escrow account and is inaccessible to the beneficiary. Such irrevocable funeral contracts may be transferred from one funeral service establishment to another upon request of the beneficiary. The purchase of an irrevocable funeral contract shall not preclude an individual from purchasing other funeral contracts that are revocable, provided any such revocable funeral contract purchased by a Medicaid beneficiary may be revoked only upon written notice by the Medicaid beneficiary to the Commissioner of Social Services.

121 Sec. 5. (NEW) (*Effective October 1, 2008*) Any revocable or irrevocable
122 funeral contracts entered into in this state shall contain all of the
123 disclosures required by chapter 743c of the general statutes and shall
124 be substantially in the following form:

125 STANDARD FUNERAL SERVICE CONTRACT

THIS STANDARD FUNERAL SERVICE CONTRACT is entered into this ..., day of ..., 20..., by and between ... a Connecticut business with an address at, ... Connecticut ("Seller") and ... ("Purchaser"). The person for whom the goods or services are to be provided is ("Contract Beneficiary"). The person not living with contract beneficiary who may be contacted in an emergency is ("Emergency Contact") having an address of and a telephone number of

134 RECITALS:

135 1. Seller is engaged in the business of operating a funeral home
136 establishment.

137 2. Purchaser wishes to purchase and pay for certain goods relating to
138 the final disposition of: (check one)

139 ☐ their body upon their death, or

140 ☐ for the disposition of a body upon the death of their spouse,
141 parent(s), child(ren), sibling(s) or other relation, specify: (name of
142 individual and relation to the purchaser)

143 **AGREEMENTS:**

144 1. Name of Purchaser: The name of the Purchaser is The
145 address of the Purchaser is The Purchaser's Social Security
146 number is The Purchaser's telephone number

147 This is a: (check one)

148 ☐ a revocable funeral contract

149 Revocable Contract: A revocable contract may be revoked at any
150 time before the merchandise and services are provided. A revocable
151 funeral contract purchased by a Medicaid beneficiary may be revoked
152 only upon written notice by the Medicaid beneficiary to the
153 Commissioner of Social Services.

154 or

155 ☐ an irrevocable funeral contract

156 Irrevocable Contract: An irrevocable contract may not be cancelled
157 by the Purchaser or by the Purchaser's personal representative unless
158 otherwise provided by law. The amount held in escrow by the Escrow
159 Agent may be disbursed only upon the death of the Contract
160 Beneficiary. The Contract Beneficiary or the personal representative of
161 the Contract Beneficiary has the right to transfer this Contract from
162 this funeral service establishment to another funeral service
163 establishment upon the request of the Contract Beneficiary or the legal
164 or personal representative of the contract beneficiary.

165 2. Name of Funeral Director: The name of the funeral director for
166 the funeral service establishment providing the goods or services is
167 ("Funeral Director"). The business address of the Funeral Director is
168 The Funeral Director's business telephone number is The
169 Funeral Director's license number from the State of Connecticut is

170 3. Purchase of Merchandise and Services: Simultaneously with the
171 execution of this Agreement, Purchaser is paying the amount of \$____
172 (the "Contract Sales Price") to Seller to purchase:

173 (check appropriate box and purchaser to initial):

174 ☐ Nonguaranteed credit toward retail cost of funeral goods and
175 services at time of need; (Initial) or

176 ☐ as shown on the attached Statement of Goods and Services, price
177 guarantees (if any) are as follows:

178 ☐ prices of all services, merchandise and cash advance items are
179 guaranteed (Initial)

180 ☐ prices of all services and merchandise are guaranteed, but prices
181 of cash advance items are NOT guaranteed (specify cash advance
182 items): (Initial)

183 ☐ only prices of services are guaranteed (Initial)

184 ☐ only prices of merchandise are guaranteed (Initial)

185 THE AMOUNT PREPAID IN THIS CONTRACT MAY NOT
186 SATISFY THE ENTIRE COST OF THE FUNERAL WHEN PROVIDED.
187 EXCEPT FOR ANY PRICE GUARANTEES (IF ANY) WHICH ARE
188 PROVIDED ABOVE, THE FUNERAL PRICE WILL BE DETERMINED
189 AT THE TIME OF THE CONTRACT BENEFICIARY'S DEATH. THE
190 PURCHASER, LEGAL OR PERSONAL REPRESENTATIVE OF THE
191 CONTRACT BENEFICIARY MAY INCUR ADDITIONAL EXPENSES
192 AT THE TIME OF NEED. SEE SECTION 6 BELOW.

193 4. Contract Beneficiary: The Contract Sales Price will be used for the
194 disposition of the remains of (insert name), currently of (insert
195 current address) (the "Contract Beneficiary"). The Social Security
196 number of the Contract Beneficiary is The Contract Beneficiary is
197 the Purchaser or is the of the Purchaser (state nature of
198 relationship, e.g., spouse, etc.). The telephone number of the Contract
199 Beneficiary is

200 5. Escrow of Funds: Following the execution of this Agreement by
201 Purchaser and Seller, Seller will deposit the Contract Sales Price with
202 an escrow agent ("Escrow Agent"). The Escrow Agent for this contract
203 will be, having an address at The telephone number of the
204 Escrow Agent is The funds held by the Escrow Agent shall be
205 invested by the Escrow Agent in accordance with and subject to the
206 limitations imposed by subsection (c) of section 42-202 of the
207 Connecticut general statutes. Amounts held in the escrow account may
208 only be invested in one or more of the following: (a) deposit accounts
209 insured by the Federal Deposit Insurance Corporation; (b) accounts
210 insured against loss of principal by an agency or instrumentality of the
211 United States government; (c) bonds in which savings bank in
212 Connecticut may, by law, invest; (d) bonds of the United States or any
213 agency thereof or of Connecticut or any Connecticut municipality; (e)
214 insurance contracts with an insurance company licensed by the State of
215 Connecticut to offer such contracts and maintaining not less than a B
216 plus rating for financial security by A. M. Best; or (f) any other deposit
217 account, or security of a quality, safety and expense comparable to
218 those set forth in this section. All interest, dividends and other income
219 earned on the amounts deposited in the escrow account shall be
220 retained in the escrow account and credited, less any administrative
221 expenses, for the account of the Contract Beneficiary. The Escrow
222 Agent will charge an administrative fee for services rendered as an
223 Escrow Agent, and may also charge a small fee for filing a tax report.
224 THE PURCHASER SHOULD RECEIVE A NOTICE FROM THE
225 ESCROW AGENT ACKNOWLEDGING ITS RECEIPT OF THE
226 INITIAL DEPOSIT MADE UNDER THIS CONTRACT NOT LATER

227 THAN TWENTY-FIVE DAYS AFTER RECEIPT OF SUCH DEPOSIT
228 BY THE FUNERAL DIRECTOR, AND AN ANNUAL BALANCE
229 STATEMENT THEREAFTER.

230 If the funds will be invested in an insurance contract, the Purchaser
231 (a) consents to the investment in an insurance contract, (b) understands
232 that the funeral director will receive a commission from the insurance
233 company in connection with the purchase and sale of the insurance
234 contract, and (c) agrees that the Seller will be listed as the beneficiary
235 on the insurance contract. (Purchaser's initials)

236 6. Price Adjustments: Seller agrees to provide the merchandise and
237 services, specified in section 3 of this contract, upon request from the
238 Purchaser or the Contract Beneficiary's personal representative for the
239 Contract Sales Price. However, unless otherwise agreed to in writing
240 by the funeral home, the cost of the funeral service and merchandise
241 shall be determined at the date of death of the Contract Beneficiary. If
242 the funeral contract is not a guaranteed contract, and the escrow
243 account with its accumulation is in excess of the amount required to
244 fulfill the value of the funeral service contract provided for herein, any
245 excess may be paid to Purchaser, the estate of the Contract Beneficiary,
246 or may offset any additional expenses that may be incurred. If, at the
247 actual time when Purchaser or Contract Beneficiary's personal
248 representative requests Seller to provide the items specified in section
249 3 of this contract, Seller's customary sales price for such item(s) has
250 increased (as set forth on Seller's price list maintained in accordance
251 with Federal Trade Commission Funeral Service Regulations), then the
252 Contract Sales Price shall be adjusted accordingly, and Purchaser or
253 the Contract Beneficiary's personal representative shall be responsible
254 for any deficiency. THIS CONTRACT CONTAINS NO PRICE
255 GUARANTEES UNLESS OTHERWISE SPECIFICALLY SET FORTH
256 IN SECTION 3 OF THIS CONTRACT. If Seller has provided price
257 guarantees, then Seller shall furnish the guaranteed service or
258 merchandise at the time of need at the guaranteed price,
259 notwithstanding the actual price of such service or merchandise at the

260 time of need. If Seller has provided price guarantees, then Seller shall
261 be entitled to any excess amounts remaining in the escrow account
262 after providing such services and merchandise. Purchaser or the
263 Contract Beneficiary's personal representative shall also be responsible
264 for any price increase imposed by a third party for services such as
265 arrangements for opening and closing of gravesite, endowment or
266 perpetual care for gravesite arrangements, cost of burial plot, gravesite
267 or mausoleum, headstones, markers, plaques, or inscriptions (a "cash
268 advance item"), and any increase for any sales tax due to the State of
269 Connecticut. In the event that the price of a cash advance item
270 increases or additional sales tax is due, Purchaser or the Contract
271 Beneficiary's personal representative may be responsible for the actual
272 cost of the cash advance item and the amount of sales tax due,
273 depending on the balance in the escrow account. In the event that
274 additional services or merchandise are selected at the time of need, the
275 retail price in effect at that time shall be charged. The additional
276 expense shall be paid by Purchaser, personal or legal representative of
277 the Contract Beneficiary.

278 7. Additional Terms and Conditions: Purchaser agrees that the
279 terms and conditions contained on the page entitled "Additional Terms
280 and Conditions" attached hereto shall constitute a part of this
281 Agreement and are incorporated herein by this reference.

282 8. Information Provided to Purchaser: Purchaser acknowledges that
283 he/she has received a completely filled-in copy of this Agreement, and
284 that he/she has also received or reviewed prior to discussing the
285 purchase of services or merchandise the Seller's General, Casket and
286 Outer Burial Container price lists which are maintained and made
287 available to consumers in accordance with the Federal Trade
288 Commission's Funeral Service regulations.

289 Dated at, Connecticut this day of, 20.....

290 FUNERAL HOME:

291

292 It's Duly Authorized Agent

293 PURCHASER:

294

295 Purchaser's Name

296 NOTE: IF THIS AGREEMENT IS SIGNED AT THE HOME OF THE
297 PURCHASER OR AT SOME PLACE OTHER THAN THE SELLER'S
298 PLACE OF BUSINESS, THEN THE PURCHASER IS ENTITLED TO
299 THE FOLLOWING NOTICE AND HAS THE FOLLOWING RIGHTS
300 UNDER CONNECTICUT LAW:

301 YOU, THE BUYER, MAY CANCEL THIS TRANSACTION AT ANY
302 TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER
303 THE DATE OF THIS TRANSACTION. SEE THE ATTACHED
304 NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF
305 THIS RIGHT.

306 NOTICE OF CANCELLATION

307 (Date of Transaction)

308 YOU MAY CANCEL THIS TRANSACTION, WITHOUT ANY
309 PENALTY OR OBLIGATION, WITHIN THREE BUSINESS DAYS
310 FROM THE ABOVE DATE.

311 IF YOU CANCEL, ANY PROPERTY TRADED IN, ANY
312 PAYMENTS MADE BY YOU UNDER THE CONTRACT OR SALE,
313 AND ANY NEGOTIABLE INSTRUMENT EXECUTED BY YOU WILL

314 BE RETURNED NOT LATER THAN TEN BUSINESS DAYS
315 FOLLOWING THE DATE OF RECEIPT BY THE SELLER OF YOUR
316 CANCELLATION NOTICE, AND ANY SECURITY INTEREST
317 ARISING OUT OF THE TRANSACTION WILL BE CANCELLED.

318 IF YOU CANCEL, YOU MUST MAKE AVAILABLE TO THE
319 SELLER AT YOUR RESIDENCE, IN SUBSTANTIALLY AS GOOD
320 CONDITION AS WHEN RECEIVED, ANY GOODS DELIVERED TO
321 YOU UNDER THIS CONTRACT OR SALE; OR YOU MAY, IF YOU
322 WISH, COMPLY WITH THE INSTRUCTIONS OF THE SELLER
323 REGARDING THE RETURN SHIPMENT OF THE GOODS AT THE
324 SELLER'S EXPENSE AND RISK.

325 IF YOU DO MAKE THE GOODS AVAILABLE TO THE SELLER
326 AND THE SELLER DOES NOT PICK THEM UP WITHIN TWENTY
327 DAYS OF THE DATE OF CANCELLATION, YOU MAY RETAIN OR
328 DISPOSE OF THE GOODS WITHOUT ANY FURTHER
329 OBLIGATION. IF YOU FAIL TO MAKE THE GOODS AVAILABLE
330 TO THE SELLER, OR IF YOU AGREE TO RETURN THE GOODS TO
331 THE SELLER AND FAIL TO DO SO, THEN YOU REMAIN LIABLE
332 FOR PERFORMANCE OF ALL OBLIGATIONS UNDER THE
333 CONTRACT.

334 TO CANCEL THIS TRANSACTION, MAIL OR DELIVER A
335 SIGNED AND DATED COPY OF THIS CANCELLATION NOTICE
336 OR ANY OTHER WRITTEN NOTICE, OR SEND A TELEGRAM TO
337 (NAME OF SELLER) AT (ADDRESS OF SELLER'S PLACE OF
338 BUSINESS) NOT LATER THAN MIDNIGHT OF (INSERT DATE).

339 I HEREBY CANCEL THIS TRANSACTION.

340 (Buyer's signature)

.... (Date)

341 STANDARD FUNERAL SERVICE CONTRACT

342 ADDITIONAL TERMS AND CONDITIONS

343 1. Contents of Funeral Service Contract. This Funeral Service
344 Contract consists of the following: (a) a statement of merchandise and
345 services selected, if any, (b) a statement of additional terms and
346 conditions, and (c) an enrollment form or a funeral planning
347 agreement with Escrow Agent.

348 2. Establishment of Escrow Account. Seller will deposit in escrow
349 with a qualified escrow agent, one hundred per cent of each payment
350 received under this Contract. All interest, dividends and other income
351 earned on the amounts deposited in the escrow account (less any
352 administrative expenses) shall become a part of the account. The
353 Escrow Agent shall be entitled to charge an administrative fee for
354 acting as Escrow Agent and charge a small fee for filing a tax report.
355 These fees shall be deducted from the escrow account balance. Seller
356 shall provide the Escrow Agent with the name and address of
357 Purchaser and the name and address of the Contract Beneficiary, a
358 copy of this Contract, including a statement of merchandise and
359 services selected.

360 3. Annual Statement of Account and Income Tax. Each party to this
361 contract shall receive an annual report from the Escrow Agent
362 containing information relating to the balance in the escrow account.
363 Such statement shall include the name and address and telephone
364 number of the Escrow Agent. Depending on the investment vehicle
365 used, income earned on the escrow funds shall be subject to federal
366 income taxation. Each Purchaser shall be responsible for payment of
367 taxes on income earned on the escrow funds. Purchaser shall receive
368 an IRS Form K-1 or 1099 statement of interest earned, for Purchaser to
369 include in his or her tax form.

370 4. Purchaser's Default. If prior to final payment of this contract,
371 Purchaser defaults in making any payment required herein, or if the
372 Purchaser or the Contract Beneficiary's personal representative fails to
373 have the funeral service establishment provide the merchandise and
374 services contracted for in this Agreement, Seller may retain any
375 origination fee and any costs reasonably incurred in performance of
376 this Contract, provided the amount retained shall not exceed five per
377 cent (5%) of the amount held by the Escrow Agent. After deducting
378 such charges, the balance of any amounts remaining in the escrow
379 account shall be transferred with this Contract to another funeral home
380 at Purchaser's request, or if this is a revocable contract, the amounts
381 remaining in the escrow account shall be returned to the Purchaser.

382 5. Release of Escrow Account. The Escrow Agent shall pay the funds
383 in the escrow account to Seller upon submission to Escrow Agent of a
384 statement indicating that the services, personal property and
385 merchandise contained herein, or attached hereto has been fully
386 performed or delivered. If the actual amount of the funds in the escrow
387 account at the time of need and delivery exceed the actual cost of the
388 nonguaranteed goods and services provided, the excess shall be
389 returned to Purchaser, to Purchaser's personal representative, Contract
390 Beneficiary's estate, or to the State of Connecticut, if required by law. If
391 Seller has provided price guarantees, Seller shall be entitled to retain
392 any amounts remaining in the escrow account after providing the
393 guaranteed services and/or merchandise.

394 6. Failure to Perform by Seller. If for any reason the Seller fails to
395 meet the obligations imposed herein promptly after a request to do so
396 by an authorized person, the family, next of kin or legal representative
397 of the Contract Beneficiary, having provided for such services or
398 merchandise on behalf of such Contract Beneficiary, may receive from
399 the Escrow Agent the amount of money in the escrow account.

400 7. Right to Transfer. The Contract Beneficiary or the personal
401 representative of the Contract Beneficiary has the right to transfer this

402 Contract from this funeral service establishment to another funeral
403 service establishment upon request. If this Contract is transferred, the
404 Seller has the right to receive from the Escrow Agent any costs, if any,
405 actually incurred by the Seller, if the Seller has performed or provided
406 for the performance of this Contract, prior to notification of such
407 transfer. Price guarantees (if any) are only made by the originating
408 funeral establishment, and there are no price guarantees with the
409 funeral firm that the contract is transferred to unless agreed to by such
410 funeral establishment.

411 8. Substitution of Merchandise. In the event that the exact
412 merchandise set forth in this Contract is unavailable at the time of need
413 and delivery, it is agreed that Seller will have the right to substitute
414 merchandise similar in style and of equal or better quality of material
415 and workmanship as the merchandise set forth in this Contract.

416 9. Purchaser's Right to Change Unless Prohibited by Law. Seller
417 agrees that if different services or merchandise are desired at the time
418 of need than those specified herein, Purchaser, next of kin, heirs, or
419 personal representative may direct Seller to apply the proceeds of the
420 escrow account toward the purchase of the desired services and
421 merchandise, unless otherwise prohibited by law.

422 10. Additional Services or Merchandise. In the event that additional
423 services or merchandise are desired at the time of need, the retail price
424 in effect at that time shall be charged for those items. The additional
425 expense shall be paid by Purchaser, next of kin or personal
426 representative of the deceased.

427 11. Items Not Provided At Time of Need. Credit will be given by
428 Seller for services or merchandise which is not provided at the time of
429 need at the retail price stipulated in this contract.

430 12. Seller's Right to Subcontract. It is agreed that if Seller is unable to
431 perform at the time and need of delivery, Seller shall have the right to
432 hire another funeral service provider to provide some or all the

433 services and merchandise set forth in this Contract at the prices set
434 forth in this Contract.

435 13. Change of Address. Purchaser shall notify Seller and Escrow
436 Agent of any change of address or telephone number of the Purchaser,
437 the Contract Beneficiary or the Emergency Contact.

438 14. Assignment of Contract. Seller shall have the right to assign this
439 Contract to any successor to Seller's business. In the event of any
440 assignment by Seller, Seller shall provide written notice to Purchaser
441 and to Contract Beneficiary. Following any assignment of this
442 Contract, Seller shall not be responsible under this Agreement.

443 15. Cash Advance Charges. If the Purchaser has contracted for any
444 services or items to be provided by a third party, this paragraph shall
445 apply. The amount paid as a cash advance shall be deposited into the
446 escrow account. At the time of performance, if the amount on deposit
447 in the escrow account, allocable to the cash advanced items, including
448 interest earned or accrued, is less than the current amount then
449 required for a cash advance item, Purchaser agrees that Seller will have
450 the right to charge for the additional amount in addition to the
451 proceeds of the escrow account.

452 16. Refund on Impossibility of Performance. A refund of all monies
453 paid on this Contract plus all income earned or accrued (less any
454 administrative charges incurred) shall be paid to Purchaser or to
455 Purchaser's legal representative by the Escrow Agent upon notification
456 by Seller that Seller is prevented from performing this Agreement
457 because of circumstances beyond Seller's control, including, but not
458 limited to, a pandemic or mass fatality event.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2008	19a-323(b)
Sec. 2	October 1, 2008	20-222(g)
Sec. 3	October 1, 2008	42-200(b)

Section 1	October 1, 2008	19a-323(b)
Sec. 2	October 1, 2008	20-222(g)
Sec. 3	October 1, 2008	42-200(b)

Sec. 4	<i>October 1, 2008</i>	42-207
Sec. 5	<i>October 1, 2008</i>	New section

Statement of Purpose:

To enhance consumer protections afforded to individuals who enter into contractual arrangements concerning prepaid funeral services and goods.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]